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13 March 2013

Submission to Senate Committee

Value of a justice reinvestment approach to criminal justice in Australia

"Justice Reinvestment is a school of thought … that proposes redirecting money spent on prisons into programs that address the underlying causes of offending in communities with high levels of incarceration" (Hudson, 2013).

I refer in particular to Terms of Reference **(b)** the economic and social costs of imprisonment; **(f)** the benefits of, and challenges to, implementing a justice reinvestment approach in Australia; and **(i)** the scope for federal government action which would encourage the adoption of justice reinvestment policies by state and territory governments.

(b) The economic and social costs of imprisonment.

Prisoners cost money, about $110,000 per prisoner-year ($291 per day, see WA Department of Corrective Services, 2012: 108). There are also police and justice costs related to finding, charging, hearing and sentencing alleged offenders. In addition, there are the community costs of property damage, insurance premium increases, lives lost or damaged and victim trauma. So reducing offending behaviour and recidivism can provide huge cost savings to the government and the community.

The costs of imprisonment also include payments to families of incarcerated breadwinners and, more often than not, unemployment benefits for ex-prisoners. "In the longer term, intergenerational welfare is looming large for an increasing number of disenfranchised, unskilled and unemployed workers, including ex-prisoners who are additionally disadvantaged by having a criminal record" (Giles & Whale, 2012).

The costs of imprisonment also include foregone income taxation from prisoners whilst they are incarcerated. Unemployed ex-prisoners will also not be paying income taxation.

(f) The benefits of, and challenges to, implementing a justice reinvestment approach in Australia.

A justice reinvestment approach that includes improving the education and training profiles of at-risk offenders and repeat offenders will reduce offending behaviour thereby decreasing incarceration rates.

Education reduces the propensity to commit crime in two ways (Lochner & Moretti, 2004). First, education increases the alternatives available to the young person and raises the cost of time spent in prison. Second, education makes individuals less impatient and more risk averse. Riddell (2006) also suggests that "education may raise an individual's rate of time preference" and, as a result increase the "cost of any future punishment that is the result of crime" (p. 21). High time discount

rates are commonly accepted as the norm for individuals with a propensity to crime (Torre and Wraith, 2012).

Many international and Australian studies of correctional education conclude that study in prison reduces recidivism (see, for example, Anders & Noblitt, 2011; Batchelder & Pippert, 2002; Chavez & Dawe, 2007; Kling & Krueger, 2001; Lochner & Moretti, 2004; Nally, Lockwood, Knutson, & Ho, 2012; Social Exclusion Unit, 2002). A US study by Steurer *et al.* (2001) found that re-arrest, re-conviction and re-incarceration rates were lower for those who participated in-prison study compared with non-participants. Nally *et al.* (2012), in their study of all-aged US prisoners found that 29.7 % of prisoners who studied whilst in prison re-offended compared with 67.8 % of prisoners who did not study. Another US study of prisoners aged 18 to 25 years reported recidivism rates of 19 % and 49 % for prisoners who studied and those that did not, respectively (Anders & Noblitt, 2011). Moreover, some studies report that the recidivism rate is significantly decreased if offenders have attained a higher level of education (up-skilled) during incarceration (Chavez & Dawe, 2007; Nally *et al.*, 2012).

Most studies of the impacts of correctional education on recidivism and post-release labour market success or community connectedness disaggregate in-prison study into broad categories related to level of education. For example, Nally *et al.* (2012) had three categories of study– below high school, high school or General Equivalency Diploma (GED), and college education. No specific courses are mentioned by the authors although they do discuss whether or not study in prison represents up-skilling. Generally these studies link the attainment of skills through in-prison study directly to employability and hence to reduced recidivism. There is also an indirect link summarised by Anders and Noblit (2011) as the effects of in-prison study participation on reducing opportunities to incur infractions (misbehaviour inside prison) which can jeopardise parole or early release and might also jeopardise opportunities for employment.

A study currently underway in Western Australia, using a longitudinal linked correctional education and welfare payments dataset is examining ***the relative impact*** of different types and levels of education and training in prison on recidivism and welfare dependence (Giles & Whale, 2012). The research expects to find that ***some types of courses are more cost effective than others***, for example a short course in forklift driving compared with a certificate IV course in small business management.

(i) The scope for federal government action which would encourage the adoption of justice reinvestment policies by state and territory governments.

Fiscal benefits will accrue to both federal and state/territory governments. These are the cost savings from reduced rates of incarceration and the lower police and justice costs related to finding, charging, hearing and sentencing alleged offenders. These cost savings will accrue, primarily, to the state and territory governments. The costs savings of reduced welfare payments will accrue to the federal government.

Fiscal costs will also be borne across different levels of government. Within a justice reinvestment approach that focuses on up-skilling vulnerable groups in the community and under current shared arrangements for the funding of education, the extra costs of training and tertiary education programs and support will be borne by the federal government whereas the extra costs of schooling will be carried by the state and territory governments.

Attention to **improving student retention and addressing learning issues in schools** would be useful and would require current school funding to complemented with federal government support.

Summary

Re-directing funds from housing prisoners to education and training in at-risk communities will improve employability and reduce welfare dependence thereby reducing the draw on public purse strings as well as promoting more productive lives. However, the type and delivery of education and training programs will need to be carefully considered and a targeted and cooperative approach adopted by all governments. In addition, ***funding prisons to provide up-skilling opportunities*** for prisoners with considerable education deficits will be cost effective in the short term as well as in the long term due to the intergenerational transfer of the benefits of education.

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